

**Testimony of Jeffrey M. Ettinger,
Chairman, President and Chief Executive Officer,
Hormel Foods Corporation
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Subcommittee on Oversight and Investigations,
Committee on Energy and Commerce**

Mr. Chairman, Members of the Subcommittee, thank you for the invitation to testify today on the modified air packaging technology Hormel uses for its branded case-ready meat products. We appreciate and share the purpose of the Committee's investigation of this issue – to ensure consumer protection.

Our experience with the lid-stock packaging technology under consideration by the committee today is this – it is the most recent advancement in food packaging technology for fresh meats that reduces food safety risks and delivers a high quality product to our consumer. This packaging system has among the highest consumer satisfaction ratings, and is one of the most accepted products in our company's 116-year history.

Hormel is headquartered in rural Minnesota. We have over 18,500 employees working in operations in Minnesota, Iowa, Nebraska, Wisconsin, Kansas, California, Georgia, Ohio, Wyoming, Colorado, Arizona, Pennsylvania, and in field sales throughout the country. Our company was founded on principles of innovation and quality, and our reputation for quality and wholesomeness is our most important company asset. We always seek to improve quality, safety and convenience for our consumers. Our mission

is to provide consumers of our products with a great eating experience. We have introduced many packaging innovations over the course of our history that have improved product safety, widened the range of consumer choice, and responded to new challenges in food marketing and distribution.

Throughout our history we have dedicated research efforts to the fresh meat case, for both pork and beef. By studying other research in the field, and by conducting our own, we designed a low oxygen packaging system that provides a fresher, safer product to consumers. Oxygen is the enemy of many food products, including meat, because it accelerates spoilage. It discolors the product, first making it unappetizing in appearance, and later causing spoilage. Our grocery stores are replete with examples of the use of modified atmosphere packaging to keep product fresher. These include potato chips, cereals, bagged salads, lunch meats, and shredded cheese. By controlling the atmosphere in the package to a ratio of 64.6% nitrogen, 35% carbon dioxide, and 0.4% carbon monoxide, we can keep meat in a fresh and high quality condition for a longer period of time than traditional overwrapped meat.

We proved freshness up to 35 days and submitted this data to the Food and Drug Administration under the GRAS notification process used for several hundred food ingredients. The technology was found acceptable by FDA, and approved by the Food Safety and Inspection Authority for use in packaging red meat cuts and ground meat. We ultimately chose a 24-day shelf life in order to insure an optimal eating experience for our consumers.

CO MAP technology has received overwhelming support from the scientific community, because it is both safe and beneficial to consumers. Supporters of this technology include individuals such as Dr. Michael Doyle, the Director of the Center for Food Safety at University of Georgia; Dr. Alden Booren, Michigan State University; Dr. Joseph Sebranek, Iowa State University; Dr. Mindy Brashears, Texas Tech University; and many others.

In addition to providing consumers a larger access window to fresh meat products, there are a number of other benefits to this packaging and technology:

- It is leak-proof, preventing possible contamination from raw meat to other items in a grocery basket, or in a consumer's refrigerator;
- It eliminates the potential of back-room cross-contamination at the store;
- It allows for the packaging and code-dating of meat in a temperature controlled, HACCP-regulated environment; and
- The packaging is tamper-resistant.

In sum, we feel we have advanced food safety and improved on the quality of the eating experience for our consumers.

We have been pleased to accompany committee staff on a tour of the production facility using this packaging technology, and to answer questions that have been raised. We

believe that there are two main areas of inquiry from the committee and would like to address both in our testimony today:

(1) Are consumers being deceived by the red color?

NO.

Let us first put to rest the notion that we are attempting to deceive consumers by in essence “coloring” bad meat to look good. This product is BRANDED with our Hormel brand. The last thing we would do is enter a category with a new product, put our brand on it, and expect that people would have a bad experience.

The inclusion of carbon monoxide in the package does stabilize the color of meat. If improperly handled or used well beyond the sell or use by date, it is possible that it could be spoiled in the package, yet still look red. We put sell by dates on the front of this product in type three times larger than normal to address this. We put another sell by date on the back of the product. There are other further signs of spoilage that would alert a consumer that the product has gone bad, even if it still looks red. If the customer somehow misses the visible signs and sell by date, and brings the spoiled product home, spoilage will be obvious when he or she opens the product. At that time the customer may return the product. This is true of meat or any other grocery item that may go bad before it is sold to the consumer.

We don't have to rely upon an academic debate as to whether consumers are likely to have a bad experience with this product. It has been in the market for three years, and we have sold 23 million packages, and 190 million servings. Every package has our 800 telephone number on it. Every package contains a guarantee of satisfaction. Indeed, this product has enjoyed one of the highest levels of consumer acceptance of any product we've recorded in our long history. We have no documented cases of foodborne illnesses associated with this packaging.

(2) Why don't we just mention the use of CO on the label?

Hormel will comply with any labeling of this product that is determined to be necessary and fair through the legislative or regulatory process.

FSIS, the U.S. government labeling authority for these products, has determined that the current labeling of this product – with the prominent “use or freeze by” label is truthful, and not misleading. As a U.S. business it is essential for us to continue to rely on an orderly, well-defined path to market, and on the regulatory review and authorization processes that exist, in order to continue to innovate and provide improved products to the American consumer.

Notwithstanding this, in an effort to address the concerns expressed by Subcommittee staff and consumer groups, we have offered to add additional language to our label to address the color issue and expressly inform consumers that-- "Color is not an

accurate indicator of freshness. Refer to use or freeze-by date." We also offered to add language reminding consumers of the right temperature setting for home refrigeration – a key point of concern that has been expressed by Subcommittee staff. Finally, we are committed to ongoing technological innovation to improve this packaging and address long-term color change. A patent has been filed on this technology.

We appreciate what this Subcommittee is ultimately trying to do—protect consumers from harm. As a trusted American brand for 116 years that has always been and will remain our goal, along with delivering a quality product to the consumer that is convenient for him or her to enjoy. Low-oxygen modified atmospheric lid-stock packaging is safe and beneficial to the consumer, and our customers have strongly embraced the technology and welcomed the benefits it provides.

I would be pleased to answer any questions to the best of my ability, and hope the committee will allow my colleague Dr. Phillip Minerich to answer questions of science that are beyond my expertise.